

Article 9.

Education of Children With Disabilities.

Part 1. State Policy.

§ 115C-106: Repealed by Session Laws 2006-69, s. 1, effective from and after July 1, 2006.

Part 1A. General Provisions.

§ 115C-106.1. State goal.

The goal of the State is to provide full educational opportunity to all children with disabilities who reside in the State. (1973, c. 1293, ss. 2-4; 1975, c. 563, ss. 1-5; 1977, c. 927, ss. 1, 2; 1979, 2nd Sess., c. 1295; 1981, c. 423, s. 1; 1997-443, s. 11A.47; 2006-69, s. 2.)

§ 115C-106.2. Purposes.

(a) The purposes of this Article are to (i) ensure that all children with disabilities ages three through 21 who reside in this State have available to them a free appropriate public education that emphasizes special education and related services designed to meet their unique needs and prepares them for further education, employment, and independent living; (ii) ensure that the rights of these children and their parents are protected; and (iii) enable the State Board of Education and local educational agencies to provide for the education of all children with disabilities.

(b) In addition to the purposes listed in subsection (a) of this section, the purpose of this Article is to enable the State Board of Education and local educational agencies to implement IDEA in this State. If this Article is silent or conflicts with IDEA, and if IDEA has specific language that is mandatory, then IDEA controls.

(c) Notwithstanding any other section of this Article, the State Board of Education may set standards for the education of children with disabilities that are higher than those required by IDEA. (1973, c. 1293, ss. 2-4; 1975, c. 563, ss. 1-5; 1977, c. 927, ss. 1, 2; 1979, 2nd Sess., c. 1295; 1981, c. 423, s. 1; 1997-443, s. 11A.47; 2006-69, s. 2; 2007-292, s. 2.)

§ 115C-106.3. Definitions.

The following definitions apply in this Article:

- (1) Child with a disability. – A child with at least one disability who because of that disability requires special education and related services.
- (2) Disability. – Includes intellectual disability; hearing impairment, including deafness; speech or language impairment; visual impairment, including blindness; serious emotional disturbance; orthopedic impairment; autism; traumatic brain injury; other health impairments, specific learning disability, or other disability as may be required to be included under IDEA. For a child ages three through seven, this term also includes developmental delay.
- (3) Dispute. – A disagreement between the parties.
- (3a) Educational services. – All of the following:
 - a. The necessary instructional hours per week in the form and format as determined by the child's IEP team and consistent with federal and State law. The instruction shall be delivered by an appropriately qualified teacher to the extent required by federal and State law, which requires a

- free appropriate public education and the opportunity for a sound basic education.
- b. Related services included in the child's IEP.
- c. Behavior intervention services to the extent required by federal law.
- (4) Free appropriate public education. – Special education and related services that satisfy all of the following:
 - a. Are provided at public expense, under public supervision and direction, and without charge.
 - b. Meet the standards of the State Board.
 - c. Include an appropriate preschool, elementary school, or secondary school education in the State.
 - d. Are provided in conformity with an individualized education program.
- (5) Hearing officers. – Include administrative law judges as defined in G.S. 150B-2(1) and hearing review officers.
- (5a) Homebound instruction. – Educational services provided to a student outside the school setting.
- (6) IDEA. – The Individuals with Disabilities Education Improvement Act, 20 U.S.C. § 1400, et seq., (2004), as amended, and federal regulations adopted under this act.
- (7) IEP Team. – As defined in IDEA.
- (8) Individualized education program (IEP). – A written statement for each child with a disability that is developed, reviewed, implemented, and revised consistent with IDEA and State law.
- (9) Infant or toddler with a disability. – As defined in IDEA.
- (10) Least restrictive environment. – To the maximum extent appropriate, children with disabilities are educated with children who do not have disabilities, and special classes, separate schooling, or other removal of children with disabilities from the regular educational environment occurs only when the nature of the disability is such that education in regular classes with the use of supplementary aids and services cannot be achieved satisfactorily.
- (11) Local educational agency. – Includes any of the following that provides special education and related services to children with disabilities:
 - a. A local school administrative unit.
 - b. A charter school.
 - c. The Department of Health and Human Services.
 - d. The Division of Adult Correction and Juvenile Justice of the Department of Public Safety.
 - e. Repealed by Session Laws 2017-186, s. 2(yyyy), effective December 1, 2017.
 - f. Any other State agency or unit of local government.
- (12) Mediation. – An informal process conducted by a mediator with the objective of helping parties voluntarily settle their dispute.
- (13) Mediator. – A neutral person who acts to encourage and facilitate a resolution of a dispute.
- (14) Parent. – Any of the following:
 - a. A natural, adoptive, or foster parent.

- b. A guardian, but not the State if the child is a ward of the State.
- c. An individual acting in the place of a natural or adoptive parent, including a grandparent, stepparent, or other relative, and with whom the child lives.
- d. An individual who is legally responsible for the child's welfare.
- e. A surrogate if one is appointed under G.S. 115C-109.2.
- (15) Party or parties. – The local educational agency or the parents, or both.
- (16) Petition. – A request for a due process hearing as provided for under IDEA.
- (17) Preschool child with a disability. – A child with one or more disabilities who meets all of the following criteria:
 - a. Has reached his or her third birthday and whose parents have requested services from the public schools.
 - b. Is not eligible to enroll in public kindergarten.
 - c. Because of the disability, needs special education and related services in order to prepare the child to benefit from the educational programs provided by the public schools, beginning with kindergarten.
- (18) Related services. – As defined in IDEA.
- (18a) Residence. – The place where a child with a disability is entitled to be enrolled in a North Carolina public school under G.S. 115C-366 except for the age requirements of that section. This definition does not apply to children with disabilities who were (i) enrolled in a particular local school administrative unit on the last day of school for the 2006-2007 school year, or (ii) enrolled in and attending a school in a particular local school administrative unit on August 1, 2007, for the 2007-2008 school year for as long as they live within and are continuously enrolled in that local school administrative unit. "Reside" means to have a residence as defined in this subdivision.
- (19) Rules. – Includes rules, policies, and procedures. Rules as defined in G.S. 150B-2(8a) shall be adopted in accordance with Article 2A of Chapter 150B of the General Statutes.
- (20) Special education. – Specially designed instruction, at no cost to parents, to meet the unique needs of a child with a disability. The term includes instruction in physical education and instruction conducted in a classroom, the home, a hospital or institution, and other settings. (1977, c. 927, s. 1; 1981, c. 423, s. 1; 1983, c. 247, ss. 1, 2; 1983 (Reg. Sess., 1984), c. 1034, ss. 23, 24; 1985, c. 479, s. 26(a); 1985, c. 780, ss. 3, 4; 1989 (Reg. Sess., 1990), c. 1003, s. 5; 1996, 2nd Ex. Sess., ch. 18, s. 18.24(b); 2006-69, s. 2; 2007-292, s. 1; 2007-429, s. 1; 2008-90, s. 1; 2011-145, s. 19.1(h), (l); 2017-186, s. 2(yyyy); 2018-47, s. 9.)

§ 115C-107: Repealed by Session Laws 2006-69, s. 1, effective from and after July 1, 2006.

Part 1B. Provision of Free Appropriate Public Education.

§ 115C-107.1. Free appropriate public education; ages.

- (a) A free appropriate public education shall be made available to the following:

- (1) All children with disabilities who reside in the State, who are the ages of three through 21, who have not graduated from high school, and who require special education and related services.
 - (2) Any child with a disability who is receiving special education and related services and who has not graduated from high school until the end of the school year in which that child reaches the age of 22.
 - (3) Children with disabilities who require special education and related services and who are suspended or expelled from school and entitled to continuing education services as provided in IDEA.
- (b) A free appropriate public education is not required to be provided to infants and toddlers with disabilities. However, early intervention services shall be made available to these children under G.S. 143B-139.6A.
- (c) If funds are made available, the State Board and the Secretary of Health and Human Services may adopt an agreement to allow the continuation of early intervention services for children with a disability who are at least three years old but before they enter kindergarten or are eligible to enter kindergarten. If an agreement is adopted under this subsection, then a free appropriate public education is not required to be provided to any child with a disability who continues to receive early intervention services in accordance with that agreement.
- (d) Nothing in this Article requires a free appropriate public education to be made available to any individual aged 18 through 21 who, in the educational placement immediately before that individual's incarceration in an adult correctional facility, was not actually identified as being a child with a disability and did not have an IEP. (1977, c. 927, s. 1; 1981, c. 423, s. 1; 1989 (Reg. Sess., 1990), c. 1003, s. 5; 1997-443, s. 11A.118(a); 1998-202, s. 4(h); 2000-137, s. 4(k); 2006-69, s. 2.)

§ 115C-107.2. Duties of State Board of Education.

- (a) The State Board of Education shall adopt rules to ensure that:
 - (1) The requirements of this Article and IDEA are met.
 - (2) All educational programs under the supervision of any local educational agency for children with disabilities meet all of the following requirements:
 - a. The programs are under the general supervision of individuals in the State who are responsible for educational programs for children with disabilities.
 - b. The programs meet the State Board's educational standards.
 - c. With respect to homeless children, the programs meet the requirements of 20 U.S.C. § 1431, McKinney-Vento Homeless Assistance Act.
- (b) The rules adopted under subsection (a) of this section shall include rules that:
 - (1) Establish standards for the programs of special education to be administered by local educational agencies and by the State Board.
 - (2) Ensure that children with disabilities are educated in the least restrictive environment.
 - (3) Ensure that local school administrative units make available special education and related services to all preschool children with disabilities whose parents request these services.

- (4) Provide for public hearings, adequate notice of these hearings, and an opportunity for comment from the general public before the adoption of the rules required by this Article.
- (5) Are required in order to receive federal funding under IDEA.
- (6) Provide that, where a local educational agency finds that appropriate services are available from other public agencies or private organizations, the local educational agency may contract for those services rather than provide them directly.
- (7) Enable local educational agencies to identify, evaluate, place, and make other educational decisions for children with disabilities.
- (8) Provide procedural safeguards for children with disabilities and their parents.
- (9) Designate a person in the Department of Public Instruction who is charged with receiving and responding to notices or other legal documents under Part 1D of this Article.
- (10) Support and facilitate local educational agency and school-level system improvement designed to enable children with disabilities to meet the challenging State student academic achievement standards.

(c) Rules adopted under this section shall be consistent with IDEA and shall comply with G.S. 115C-12(19). Local educational agencies, parents, and other individuals concerned with the education of children with disabilities shall be consulted in the development of rules adopted under this Article.

(d) The State Board shall develop forms for local educational agencies to use in order to comply with this Article. The forms shall comply with G.S. 115C-12(19), and whenever practicable, (i) limit the requirement for narrative reporting to essential components requiring personalized student information and (ii) be in an electronic format.

(e) The State Board shall provide technical assistance to local educational agencies at their request.

(f) The State Board shall develop any plans that meet the criteria of IDEA and are required to be submitted to the United States Department of Education.

(g) The State Board shall make available to hearing officers training related to IDEA and its legal interpretations in order to facilitate hearings and reviews under G.S. 115C-109.6. (1977, c. 927, s. 1; 1981, c. 423, s. 1; 1983, c. 247, ss. 3, 4; 1989, c. 585, s. 3; 1989 (Reg. Sess., 1990), c. 1003, s. 5; 1996, 2nd Ex. Sess., c. 18, ss. 18.24(c), (d); 1997-443, s. 11A.118(a); 1998-202, s. 4(g); 2000-137, s. 4(j); 2006-69, s. 2; 2013-226, s. 10.)

§ 115C-107.3. Child find.

(a) The Board shall require an annual census of all children with disabilities residing in the State, subdivided for "identified" and "suspected" children with disabilities, to be taken in each school year. Suspected children are those in the formal process of being evaluated or identified as children with disabilities. The census shall be conducted annually and shall be completed by October 15, submitted to the Governor and General Assembly and made available to the public by January 15 annually.

(b) In taking the census, the Board requires the cooperation, participation, and assistance of all local educational agencies. Therefore, each local educational agency shall cooperate and participate with and assist the Board in conducting the census.

(c) The census shall include the number of children identified and suspected with disabilities, their age, the nature of their disability, their county or city of residence, their local school administrative unit residence, whether they are being provided special educational or related services and if so by what local educational agency, the identity of each local educational agency having children with disabilities in its care, custody, management, jurisdiction, control, or programs, the number of children with disabilities being served by each local educational agency, and any other information or data that the Board requires. The census shall be of children with disabilities between the ages three through 21 but is not required to include children with disabilities that have graduated from high school. (1977, c. 927, s. 1; 1981, c. 423, s. 1; 1983, c. 247, ss. 3, 4; 1989, c. 585, s. 3; 1996, 2nd Ex. Sess., c. 18, ss. 18.24(c), (d); 1997-443, s. 11A.118(a); 1998-202, s. 4(g); 2000-137, s. 4(j); 2006-69, s. 2; 2007-292, s. 3.)

§ 115C-107.4. Monitoring and enforcement.

(a) The State Board shall monitor all local educational agencies to determine compliance with this Article and IDEA. The State Board also shall monitor the effectiveness of IEPs in meeting the educational needs of children with disabilities.

(b) The State Board shall implement an effective and efficient system of incentives and sanctions for local educational agencies in order to improve results for children with disabilities and meet the requirements of this Article and IDEA. The system, which must be based on a continuum of recognition and sanctions, shall:

- (1) Identify and recognize local educational agencies that achieve or exceed targets and indicators as determined by the State Board, demonstrate significant improvement over time, and show growth on targets and indicators as determined by each local educational agency.
- (2) Provide consequences for local educational agencies that are substantially noncompliant with statutory and regulatory requirements under this Article and IDEA.

(c) The system of incentives developed under subsection (b) of this section may include commendations, public recognition, allocation of grant funds if available, and any other incentives as considered appropriate by the State Board.

(d) The system of sanctions developed under subsection (b) of this section shall include the following:

- (1) Level One – Needs Assistance: When the State Board determines (i) a local school educational agency has been in noncompliance for two years and (ii) that agency needs assistance in implementing the requirements of this Article and IDEA, the State Board shall take one or more of the following actions:
 - a. The Board may direct the local educational agency to allocate additional time and resources for technical assistance and guidance related to areas of noncompliance.
 - b. The Board may impose special conditions on that agency's application for IDEA funds and receipt of State funds.
 - c. The Board may direct how that local educational agency utilizes IDEA and State funds to address the remaining findings of noncompliance.

The local educational agency must track the use of these funds to show how the funds are targeted to address areas of noncompliance.

- (2) Level Two – Needs Intervention: If the State Board determines (i) that the local educational agency has been in noncompliance for three years and (ii) that agency needs assistance in implementing this Article and IDEA, the following apply:
 - a. The Board may take any of the actions described in subdivision (1) of this subsection.
 - b. The Board shall withhold, in whole or in part, any further payments of IDEA and State funds to the agency.
 - c. The Board shall require the agency to enter into a compliance agreement.
- (3) Level Three – Needs Substantial Intervention: In addition to the sanctions described in subdivisions (1) and (2) of this subsection, if at any time the State Board determines a local educational agency (i) needs substantial intervention in implementing the requirements of this Article and IDEA, or (ii) has established a substantial failure to comply with this Article and IDEA, the Board shall take one or more of the following actions:
 - a. The Board shall direct the agency to implement a compliance agreement, billed to that agency.
 - b. The Board shall recover IDEA and State funds.
 - c. The Board shall refer the agency for appropriate enforcement under State or federal law.

(e) In addition to the consequences required under subsections (b) and (d) of this section, the State Board shall develop sanctions for local educational agencies that fail to implement a corrective action or hearing decision. (1977, c. 927, s. 1; 1981, c. 423, s. 1; 1983, c. 247, ss. 3, 4; 1989, c. 585, s. 3; 1996, 2nd Ex. Sess., c. 18, ss. 18.24(c), (d); 1997-443, s. 11A.118(a); 1998-202, s. 4(g); 2000-137, s. 4(j); 2006-69, s. 2.)

§ 115C-107.5. Annual reports.

The State Board shall report annually to the Joint Legislative Education Oversight Committee on the implementation of this Article and the educational performance of children with disabilities. Each annual report shall include a copy of the following documents that were submitted, received, or made public during the year: (i) the most recent State performance plan and any amendments to that plan submitted to the Secretary of Education, (ii) compliance and monitoring reports submitted to the Secretary of Education, (iii) the annual report submitted to the Secretary of Education on the performance of the State under its performance plan, and (iv) any other information required under IDEA to be made available to the public. In addition, the annual report shall include an analysis of the educational performance of children with disabilities in the State and a summary of disputes under Part 1D of this Chapter. The report shall be filed no later than October 15 each year and may be filed electronically. (1977, c. 927, s. 1; 1981, c. 423, s. 1; 1983, c. 247, ss. 3, 4; 1989, c. 585, s. 3; 1996, 2nd Ex. Sess., c. 18, ss. 18.24(c), (d); 1997-443, s. 11A.118(a); 1998-202, s. 4(g); 2000-137, s. 4(j); 2006-69, s. 2.)

§ 115C-107.6. Duties of local educational agencies.

(a) Each local educational agency, in providing for the education of children with disabilities within its jurisdiction, must comply with IDEA and the rules adopted by the State Board under this Article. In addition, each local educational agency shall have in effect policies, procedures, and programs that are consistent with this Article, IDEA, and rules adopted by the State Board.

(b) No child with disabilities shall be prevented from attending the public schools of the local educational agency in which the child resides or from which the child receives services or from attending any other public program of free appropriate public education based solely on the fact that the child has a disability. If it appears the child should receive a program of free appropriate public education in a program operated by or under the supervision of the Department of Health and Human Services or the Division of Adult Correction and Juvenile Justice of the Department of Public Safety, the local school administrative unit shall confer with the appropriate Department of Health and Human Services or Division of Adult Correction and Juvenile Justice of the Department of Public Safety staff for their participation and determination of the appropriateness of placement in that program and development of the child's individualized education program.

(c) No matriculation or tuition fees or other fees or charges shall be required or asked of children with disabilities or their parents except those fees or charges that are required uniformly of all public school pupils. The provision of a free appropriate public education within the facilities of the Department of Health and Human Services and the Division of Adult Correction and Juvenile Justice of the Department of Public Safety may not prevent that Department from charging for other services or treatment.

(d) Each child with a disability shall be educated in accordance with that child's IEP and in the least restrictive environment for that child.

(e) Each local educational agency may use the forms developed under G.S. 115C-107.2(d). (1977, c. 927, s. 1; 1981, c. 423, s. 1; 1983, c. 247, ss. 3, 4; 1989, c. 585, s. 3; 1996, 2nd Ex. Sess., c. 18, ss. 18.24(c), (d); 1997-443, s. 11A.118(a); 1998-202, s. 4(g); 2000-137, s. 4(j); 2006-69, s. 2; 2007-292, s. 4; 2011-145, s. 19.1(l); 2017-186, s. 2(zzzz).)

§ 115C-107.7. Discipline, corporal punishment, and homebound instruction.

(a) The policies and procedures for the discipline of students with disabilities shall be consistent with federal laws and regulations.

(a1) Any corporal punishment administered on students with disabilities shall be consistent with the requirements of G.S. 115C-390.4.

(b) If a change of placement occurs under the discipline regulations of IDEA, a local educational agency shall not assign a student to homebound instruction without a determination by the student's IEP team that the homebound instruction is the least restrictive alternative environment for that student. If it is determined that the homebound instruction is the least restrictive alternative environment for the student, the student's IEP team shall meet to determine the nature of the homebound educational services to be provided to the student. In addition, the continued appropriateness of the homebound

instruction shall be evaluated monthly by the designee or designees of the student's IEP team.

(c) A local educational agency shall be deemed to have a "basis of knowledge" that a child is a child with a disability if, prior to the behavior that precipitated the disciplinary action, the behavior and performance of the child clearly and convincingly establishes the need for special education. Prior disciplinary infractions shall not, standing alone, constitute clear and convincing evidence. (2006-69, s. 2; 2007-425, s. 1; 2008-90, ss. 2, 3; 2010-36, s. 1; 2010-159, s. 1; 2012-77, s. 5; 2012-149, s. 11.5; 2012-194, ss. 48, 52.)

§ 115C-108: Repealed by Session Laws 2006-69, s. 1, effective from and after July 1, 2006.

Part 1C. Interagency Coordination.

§ 115C-108.1. State Board lead agency.

(a) The Board shall cause all local educational agencies to provide special education and related services to children with disabilities in their care, custody, management, jurisdiction, control, or programs.

(b) The jurisdiction of the Board with respect to the design and content of special education programs or related services for children with disabilities extends to and over the Department of Health and Human Services, and the Division of Adult Correction and Juvenile Justice of the Department of Public Safety.

(c) All provisions of this Article that are specifically applicable to local school administrative units also are applicable to the Department of Health and Human Services, and the Division of Adult Correction and Juvenile Justice of the Department of Public Safety, and their divisions and agencies; all duties, responsibilities, rights, and privileges specifically imposed on or granted to local school administrative units by this Article also are imposed on or granted to the Department of Health and Human Services, and the Division of Adult Correction and Juvenile Justice of the Department of Public Safety, and their divisions and agencies. However, with respect to children with disabilities who are residents or patients of any State-operated or State-supported residential treatment facility, including a school for the deaf, school for the blind, mental hospital or center, mental retardation center, or in a facility operated by the Division of Adult Correction and Juvenile Justice of the Department of Public Safety, or any of their divisions and agencies, the Board may contract with the Department of Health and Human Services, and the Division of Adult Correction and Juvenile Justice of the Department of Public Safety for the provision of special education and related services and the power to review, revise, and approve any plans for special education and related services to those residents.

(d) The Department of Health and Human Services and the Department of Public Safety shall submit to the Board their plans for the education of children with disabilities in their care, custody, or control. The Board may grant specific exemptions for programs administered by the Department of Health and Human Services or the Division of Adult Correction and Juvenile Justice of the Department of Public Safety when compliance by them with the Board's standards would, in the Board's judgment, impose undue hardship

on that department or division and when other procedural due process requirements, substantially equivalent to those required under this Article and IDEA, are assured in programs of special education and related services furnished to children with disabilities served by that department. Further, the Board shall recognize that inpatient and residential special education programs within the Departments of Health and Human Services or the Division of Adult Correction and Juvenile Justice of the Department of Public Safety may require more program resources than those necessary for optimal operation of these programs in local school administrative units.

(e) The Board shall support and encourage joint and collaborative special education planning and programming at local levels to include local school administrative units and the programs and agencies of the Departments of Health and Human Services or the Division of Adult Correction and Juvenile Justice of the Department of Public Safety. (2006-69, s. 2; 2011-145, ss. 19.1(h), (l); 2012-83, ss. 38, 39; 2017-186, s. 2(aaaaa).)

§ 115C-108.2. Interlocal cooperation.

The Board, any two or more local educational agencies, and any other agency and any State department, agency, or division having responsibility for the education, treatment, or habilitation of children with disabilities may enter into interlocal cooperative undertakings under Part 1 of Article 20 of Chapter 160A of the General Statutes or into undertakings with a State agency such as the Departments of Public Instruction, Health and Human Services, or Public Safety, or their divisions, agencies, or units, for the purpose of providing for the special education and related services, treatment, or habilitation of these children within the jurisdiction of the agency or unit, and shall do so when it is unable to provide the appropriate public special education or related services for these children. In entering into such undertakings, the local agency and State department, agency, or division shall also contract to provide the special education or related services that are educationally appropriate to the children with disabilities for whose benefit the undertaking is made and provide these services by or in the local agency unit or State department, agency, or division located in the place most convenient to these children. (1977, c. 927, s. 1; 1981, c. 423, s. 1; 1997-443, s. 11A.118(a); 1998-202, s. 4(m); 2000-137, s. 4(p); 2006-69, s. 2; 2017-186, s. 2(bbbbb).)

§ 115C-109: Repealed by Session Laws 2006-69, s. 1, effective from and after July 1, 2006.

Part 1D. Procedural Safeguards.

§ 115C-109.1. Handbook for parents.

The State Board of Education shall make available to parents a handbook of procedural safeguards. This handbook for parents shall be made available at least once each school year, except that a copy also shall be given to the parent (i) upon the initial referral or parental request for an evaluation; (ii) upon the first occurrence of the filing of a petition under G.S. 115C-109.6 and IDEA; (iii) upon the parent's request; and (iv) upon any revision to the content of the handbook. This handbook for parents shall include a full explanation of the procedural safeguards under this

Article and IDEA, be written in the native language of the parent unless it clearly is not feasible to do so, be written in an easily understood manner, and include information required under IDEA to be included.

The State Board shall place a current copy of the handbook for parents on its Internet Web site. (2006-69, s. 2.)

§ 115C-109.2. Adult children with disabilities; surrogate parents.

(a) When a child with a disability reaches the age of 18, all of the following apply:

- (1) Notices required under this Article shall be provided to both the child and the child's parent.
- (2) All other rights accorded to parents under this Article and IDEA transfer to the child.
- (3) The local educational agency shall notify the child and the child's parent of these transfer rights.

(b) Notwithstanding subsection (a) of this section, for a child with a disability who has reached the age of majority under State law and who has not been determined to be incompetent but is determined to not have the ability to provide informed consent with respect to his or her education program, the State Board shall establish procedures for appointing the parent of the child, or if the parent is not available, another appropriate individual, to represent the educational interests of the child throughout the period of eligibility under this section.

(c) A reasonable effort must be made to appoint a surrogate for a child with a disability within 30 days of a determination that one of the following conditions exists and that the child needs a surrogate:

- (1) The parents of that child are not known;
- (2) The parents, after reasonable efforts, cannot be located; or
- (3) The child is a ward of the State.

(d) A person must be eligible under IDEA to be appointed as a child's surrogate. (1987 (Reg. Sess., 1988), c. 1079, s. 2; 1997-443, s. 11A.118(a); 1998-202, s. 4(j); 2000-137, s. 4(m); 2006-69, s. 2.)

§ 115C-109.3. Access to records; opportunity for parents to participate in meetings.

(a) Each local educational agency shall provide an opportunity for the parents of a child with a disability to examine all records relating to that child and to participate in meetings with respect to the identification, evaluation, and educational placement of the child, and the provision of a free appropriate public education to that child.

(b) Local educational agencies may release the records of a child with a disability only as permitted under State or federal law. The parents of a child with a disability may have access to the child's records and may read, inspect, and copy all and any records, data, and information maintained by a local educational agency with respect to that child. Parents, upon their request, are entitled to have those records, data, and information fully explained, interpreted, and analyzed for them by the staff of the agency, unless specifically prohibited by court order. If a request is made under this subsection, the local educational agency shall honor the request within not more than 45 days after it is made or in time for the individual who made the request to prepare for a meeting under subsection (a) of this section, whichever is sooner.

(c) The student and the student's parents may add written explanations or clarifications to the records, data, and information and may request the expunction of incorrect, outdated, misleading, or irrelevant entries. If a local educational agency refuses to expunge incorrect, outdated, misleading, or irrelevant entries after having been asked to do so by the parent, the parent may appeal that decision under G.S. 115C-45(c)(2). (1977, c. 927, s. 1; 1981, c. 423, s. 1; 2006-69, s. 2.)

§ 115C-109.4. Mediation.

(a) It is the policy of this State to encourage local educational agencies and parents to seek mediation involving any dispute under this Article, including matters arising before or after filing a petition under G.S. 115C-109.6.

(b) Mediation under this section must meet the following requirements:

(1) The mediation must be voluntary on the part of both parties.

(2) Mediation shall not be used to deny or delay a parent's right to an impartial hearing under G.S. 115C-109.6, or to deny any other rights afforded under this Article or IDEA.

(3) The mediation shall be conducted by a qualified and impartial mediator who is trained in effective mediation techniques.

(c) The State Board may establish procedures to offer to parties that do not choose to use the mediation process an opportunity to meet with a disinterested party, as provided under IDEA, who can encourage the use and explain the benefits of the mediation process to the parties. This meeting must be at a time and location convenient to the parents.

(d) The State Board shall maintain a list of qualified mediators who are knowledgeable in laws and regulations relating to the provision of special education and related services. When mediation is requested, the Exceptional Children Division of the Department of Public Instruction shall assign a mediator from this list of mediators.

(e) The State shall bear the cost of the mediation process, including the costs of meetings described under subsection (c) of this section, unless the parties opt to select a mediator other than the mediator assigned under subsection (d) of this section or if the parties opt to use an alternative method of dispute resolution.

(f) Each session in the mediation process shall be scheduled in a timely manner and shall be held in a location that is convenient to the parties to the dispute.

(g) Evidence of statements made and conduct occurring in a mediation are confidential, are not subject to discovery, and are inadmissible in any proceeding in the action or other actions on the same claim. However, no evidence otherwise discoverable is inadmissible merely because it is presented or discussed in a mediation. Mediators shall not be compelled in any civil proceeding to testify or produce evidence concerning statements made and conduct occurring in a mediation.

(h) When resolution is reached to resolve the dispute through the mediation process, the parties shall execute a legally binding agreement that:

(1) Sets forth the agreement.

(2) States that all discussions that occurred during the mediation process are confidential and may not be used as evidence in any subsequent impartial hearing under G.S. 115C-109.6 or in any civil proceeding.

(3) Is signed by both the parent and a representative of the local educational agency who has the authority to bind that agency.

- (4) Is enforceable in any State administrative forum provided for in IDEA, any State court of competent jurisdiction, or in a district court of the United States.

(i) In addition to mediation as provided by this section, the parties may participate in a mediated settlement conference as provided by G.S. 150B-23.1. In addition, the parties may agree to use other dispute resolution methods or to use mediation in other circumstances, including after a request for formal administrative review is filed, to the extent permitted under State and federal law. (1973, c. 1293, s. 10; 1975, c. 151, ss. 1, 2; c. 563, ss. 8, 9; 1975, 2nd Sess., c. 983, ss. 79, 80; 1981, c. 423, s. 1; c. 497, ss. 1, 2; 1983, c. 247, s. 6; 1985, c. 412, s. 2; 1987, c. 827, s. 1; 1987 (Reg. Sess., 1988), c. 1079, s. 1; 1989, c. 362; 1989 (Reg. Sess., 1990), c. 1058; 1991, c. 540, s. 1; 1991 (Reg. Sess., 1992), c. 1030, s. 27; 1993, c. 270, s. 1; 1997-115, s. 1; 2006-69, s. 2.)

§ 115C-109.5. Prior written notice.

(a) The local educational agency shall provide prompt written notice to parents whenever that agency proposes to initiate or change, or refuses to initiate or change (i) the identification, evaluation, or educational placement of a child, or (ii) the provision of a free appropriate public education to a child with a disability. The local educational agency shall document that all required notices have been sent to and received by parents.

(b) This prior written notice shall be in the native language of the parents, unless it clearly is not feasible to translate it, and shall contain all of the following information:

- (1) A description of the action proposed or refused by the local educational agency.
- (2) An explanation of why the local educational agency proposes or refuses to take the action and a description of each evaluation procedure, assessment, record, or report that agency used as a basis for the proposed or refused action.
- (3) A statement that the parent of a child with a disability has protection under the procedural safeguards of this Article and IDEA and, if this notice is not the initial referral for evaluation, the means by which a copy of the procedural safeguards can be obtained.
- (4) Sources for parents to contact to obtain assistance in understanding this Article and IDEA.
- (5) A description of other options considered by the IEP Team and the reason why those options were rejected.
- (6) A description of the factors that are relevant to the local educational agency's proposal or refusal.
- (7) Any other information required to be included under IDEA. (1973, c. 1293, s. 10; 1975, c. 151, ss. 1, 2; c. 563, ss. 8, 9; 1975, 2nd Sess., c. 983, ss. 79, 80; 1981, c. 423, s. 1; c. 497, ss. 1, 2; 1983, c. 247, s. 6; 1985, c. 412, s. 2; 1987, c. 827, s. 1; 1987 (Reg. Sess., 1988), c. 1079, s. 1; 1989, c. 362; 1989 (Reg. Sess., 1990), c. 1058; 1991, c. 540, s. 1; 1991 (Reg. Sess., 1992), c. 1030, s. 27; 1993, c. 270, s. 1; 1997-115, s. 1; 2006-69, s. 2.)

§ 115C-109.6. Impartial due process hearings.

(a) Any party may file with the Office of Administrative Hearings a petition to request an impartial hearing with respect to any matter relating to the identification, evaluation, or educational placement of a child, or the provision of a free appropriate public education of a child, or a manifestation determination. The party filing the petition must notify the other party and the person

designated under G.S. 115C-107.2(b)(9) by simultaneously serving them with a copy of the petition.

(b) Notwithstanding any other law, the party shall file a petition under subsection (a) of this section that includes the information required under IDEA and that sets forth an alleged violation that occurred not more than one year before the party knew or reasonably should have known about the alleged action that forms the basis of the petition. The issues for review under this section are limited to those set forth in subsection (a) of this section. The party requesting the hearing may not raise issues that were not raised in the petition unless the other party agrees otherwise.

(c) The one-year restriction in subsection (b) of this section shall not apply to a parent if the parent was prevented from requesting the hearing due to (i) specific misrepresentations by the local educational agency that it had resolved the problem forming the basis of the petition, or (ii) the local educational agency's withholding of information from the parent that was required under State or federal law to be provided to the parent.

(d) The hearing shall be conducted in the county where the child attends school or is entitled to enroll under G.S. 115C-366, unless the parties mutually agree to a different venue.

(e) The hearing shall be closed to the public unless the parent requests in writing that the hearing be open to the public.

(f) Subject to G.S. 115C-109.7, the decision of the administrative law judge shall be made on substantive grounds based on a determination of whether the child received a free appropriate public education. Following the hearing, the administrative law judge shall issue a written decision regarding the issues set forth in subsection (a) of this section. The decision shall contain findings of fact and conclusions of law. Notwithstanding Chapter 150B of the General Statutes, the decision of the administrative law judge becomes final and is not subject to further review unless appealed to the Review Officer under G.S. 115C-109.9.

(g) A copy of the administrative law judge's decision shall be served upon each party and a copy shall be furnished to the attorneys of record. The written notice shall contain a statement informing the parties of the availability of appeal and the 30-day limitation period for appeal as set forth in G.S. 115C-109.9.

(h) In addition to the petition, the parties shall simultaneously serve a copy of all pleadings, agreements, and motions under this Part with the person designated by the State Board under G.S. 115C-107.2(b)(9). The Office of Administrative Hearings shall simultaneously serve a copy of all orders and decisions under this Part with the person designated by the State Board under G.S. 115C-107.2(b)(9).

(i) Nothing in this section shall be construed to preclude a parent from filing a separate due process petition on an issue separate from a petition already filed.

(j) The State Board, through the Exceptional Children Division, and the State Office of Administrative Hearings shall develop and enter into a binding memorandum of understanding to ensure compliance with the statutory and regulatory procedures and timelines applicable under IDEA to due process hearings and to hearing officers' decisions, and to ensure the parties' due process rights to a fair and impartial hearing. This memorandum of understanding shall be amended if subsequent changes to IDEA are made. The procedures and timelines shall be made part of the Board's procedural safeguards that are made available to parents and the public under G.S. 115C-109.1 and G.S. 115C-109.5. (1973, c. 1293, s. 10; 1975, c. 151, ss. 1, 2; c. 563, ss. 8, 9; 1975, 2nd Sess., c. 983, ss. 79, 80; 1981, c. 423, s. 1; c. 497, ss. 1, 2; 1983, c. 247, s. 6; 1985, c. 412, s. 2; 1987, c. 827, s. 1; 1987 (Reg. Sess., 1988), c. 1079, s. 1; 1989, c. 362; 1989 (Reg. Sess.,

1990), c. 1058; 1991, c. 540, s. 1; 1991 (Reg. Sess., 1992), c. 1030, s. 27; 1993, c. 270, s. 1; 1997-115, s. 1; 2006-69, s. 2.)

§ 115C-109.7. Resolution session.

(a) Within 15 days of receiving notice of the parent's petition filed under G.S. 115C-109.6 and before the opportunity for an impartial hearing, the local educational agency shall convene a meeting with the parent and the relevant members of the IEP Team who have specific knowledge of the facts identified in the petition. This meeting shall include a representative of the agency who has decision-making authority on behalf of that agency and may not include an attorney of the local educational agency unless the parent is accompanied by an attorney. If the parent plans to be accompanied by an attorney under this section, the parent must give prior written notice of this fact to the agency. The purposes of the meeting are (i) for the parent to have an opportunity to discuss the petition and the facts that form the basis of the petition and (ii) for the local educational agency to have the opportunity to resolve the dispute.

(b) The parent and the local educational agency jointly may agree in writing to waive the meeting under subsection (a) of this section or to use the mediation process described in G.S. 115C-109.4.

(c) If the local educational agency does not resolve the dispute to the satisfaction of the parents within 30 days of the agency's receipt of the petition, the impartial hearing under G.S. 115C-109.6 may occur and all of the applicable timelines for that hearing shall commence.

(d) If a resolution is reached to resolve the dispute at a meeting under subsection (a) of this section, the parties shall execute a legally binding agreement that is:

- (1) Signed by both the parent and a representative of the local educational agency who has the authority to bind the agency;
- (2) Enforceable in any State administrative forum provided for in IDEA, any State court of competent jurisdiction, or in a district court of the United States; and
- (3) Filed with the person designated by the State Board to receive notices and with the Office of Administrative Hearings.

(e) If the parties execute an agreement under subsection (d) of this section, either party may void the agreement by providing written notice within three business days of the agreement's execution to the person designated by the State Board to receive notices, the Office of Administrative Hearings, and the other party. Notwithstanding subsection (c) of this section, upon receipt of this notice, the impartial hearing under G.S. 115C-109.6 may occur and all of the applicable timelines for that hearing shall commence. (1973, c. 1293, s. 10; 1975, c. 151, ss. 1, 2; c. 563, ss. 8, 9; 1975, 2nd Sess., c. 983, ss. 79, 80; 1981, c. 423, s. 1; c. 497, ss. 1, 2; 1983, c. 247, s. 6; 1985, c. 412, s. 2; 1987, c. 827, s. 1; 1987 (Reg. Sess., 1988), c. 1079, s. 1; 1989, c. 362; 1989 (Reg. Sess., 1990), c. 1058; 1991, c. 540, s. 1; 1991 (Reg. Sess., 1992), c. 1030, s. 27; 1993, c. 270, s. 1; 1997-115, s. 1; 2006-69, s. 2.)

§ 115C-109.8. Procedural issues.

(a) In matters alleging a procedural violation, the hearing officer may find that a child did not receive a free appropriate public education only if the procedural inadequacies (i) impeded the child's right to a free appropriate public education; (ii) significantly impeded the parents' opportunity to participate in the decision-making process regarding the provision of a free

appropriate public education to the parents' child; or (iii) caused a deprivation of educational benefits.

(b) A hearing officer may order a local educational agency to comply with procedural requirements under this Article and IDEA. (2006-69, s. 2.)

§ 115C-109.9. Review by review officer; appeals.

(a) Any party aggrieved by the findings and decision of a hearing officer under G.S. 115C-109.6 or G.S. 115C-109.8 may appeal the findings and decision within 30 days after receipt of notice of the decision by filing a written notice of appeal with the person designated by the State Board under G.S. 107.2(b)(9) to receive notices. The State Board, through the Exceptional Children Division, shall appoint a Review Officer from a pool of review officers approved by the State Board of Education. The Review Officer shall conduct an impartial review of the findings and decision appealed under this section. The Review Officer conducting this review shall make an independent decision upon completion of the review. The decision of the Review Officer becomes final unless an aggrieved party brings a civil action under subsection (d) of this section. A copy of the decision shall be served upon each party, and a copy shall be furnished to the attorneys of record and the Office of Administrative Hearings. The written notice shall contain a statement informing the parties of the right to file a civil action and the 30-day limitation period for filing a civil action under subsection (d) of this section.

(b) A Review Officer shall be an educator or other professional who is knowledgeable about special education and who possesses other qualifications as may be established by the State Board of Education. No person may be appointed as a Review Officer if that person is an employee of the State Board of Education, the Department of Public Instruction, or the local educational agency that has been involved in the education or care of the child whose parents have filed the petition.

(c) The State Board may enforce the final decision of the administrative law judge under G.S. 115C-109.6, if not appealed under this section, or the final decision of the Review Officer, by ordering a local educational agency:

- (1) To provide a child with appropriate education;
- (2) To place a child in a private school that is approved to provide special education and that can provide the child an appropriate education; or
- (3) To reimburse parents for reasonable private school placement costs in accordance with this Article and IDEA when it is determined that the local educational agency did not offer or provide the child with appropriate education and the private school in which the parent placed the child was an approved school and did provide the child an appropriate education.

(d) Any party that does not have the right to appeal under this Part and any party who is aggrieved by the decision of the Review Officer under this section may institute a civil action in State court within 30 days after receipt of the notice of the decision or in federal court as provided in 20 U.S.C. § 1415.

(e) Except as provided under IDEA, upon the filing of a petition under G.S. 115C-109.6 and during the pendency of any proceedings under this Part, the child must remain in the child's then-current educational placement or, if applying for initial admission to a public school, the child must be placed in the public school. Notwithstanding this subsection, the parties may agree in writing to a different educational placement for the child during the pendency of any proceedings under this Part. (2006-69, s. 2.)

§ 115C-110: Repealed by Session Laws 2006-69, s. 1, effective from and after July 1, 2006.

Part 1E. Special Education and Related Services Personnel.

§ 115C-110.1. Teacher qualifications.

The Board shall adopt rules covering the qualifications of and standards for licensure of teachers, teacher assistants, speech-language pathologists, school psychologists, and others involved in the education and training of children with disabilities. (2006-69, s. 2.)

§ 115C-110.2. Interpreters/transliterators.

Each interpreter or transliterator employed by a local educational agency to provide services to hearing-impaired students must annually complete 15 hours of job-related training that has been approved by the local educational agency. (2002-182, s. 6; 2003-56, s. 3; 2006-69, s. 2.)

§ 115C-110.3: Reserved for future codification purposes.

§ 115C-110.4: Reserved for future codification purposes.

§ 115C-110.5: Reserved for future codification purposes.

§ 115C-111: Repealed by Session Laws 2006-69, s. 1, effective from and after July 1, 2006.

Part 1F. Budgeting; Funds.

§ 115C-111.1. Out-of-state students; eligibility for State funds.

Notwithstanding any policy or rule adopted by the State Board of Education, if a local school administrative unit provides services to a student under a current IEP from another state while a determination is being made regarding the student's eligibility for services as a child with disabilities in North Carolina, the local school administrative unit is entitled to receive State funding to serve the student while the determination is being made. If the student is later determined not to qualify for services in North Carolina, the local school administrative unit is not required to repay State funds received while the determination is being made. (1997-117, s. 1; 2006-69, s. 2.)

§ 115C-111.2. Contracts with private service providers.

Local educational agencies furnishing special education and related services to children with disabilities may contract with private special education facilities or service providers to furnish any of these services that the public providers are unable to furnish. (1977, c. 927, s. 1; 1981, c. 423, s. 1; 2006-69, s. 2.)

§ 115C-111.3. Cost of education of children in group homes, foster homes, etc.

(a) Notwithstanding any other State law and without regard for the place of domicile of a parent, the cost of a free appropriate public education for a child with disabilities who is placed in or assigned to a group home or foster home, under State and federal law, shall be borne by the local board of education in which the group home or foster home is located. However, the local school administrative unit in which a child is domiciled shall transfer to the local school administrative unit in which the institution is located an amount equal to the actual local cost in excess of State and federal funding required to educate that child in the local school administrative unit for the fiscal year after all State and federal funding has been exhausted.

(b) The State Board of Education shall use State and federal funds appropriated for children with disabilities to establish a reserve fund to reimburse local boards of education for the education costs of children assigned to group homes or other facilities as provided in subsection (a) of this section. Local school administrative units may submit a Special State Reserve Program application for foster home or group home children whose special education and related services costs exceed the per child group home allocation.

(c) The Department shall review the current cost of children with disabilities served in the local school administrative units with group homes or foster homes to determine the actual cost of services. (1981, c. 859, s. 29.7; 2002-164, s. 2; 2003-294, s. 1; 2006-69, s. 2.)

§ 115C-111.4. Nonreduction.

Notwithstanding any of the other provisions of this Article, it is the intent of the General Assembly that funds appropriated by it for the operation of programs of special education and related services by local school administrative units not be reduced; rather, that adequate funding be made available to meet the special educational and related services needs of children with disabilities, without regard to which local educational agency has the child in its care, custody, control, or program. (1977, c. 927, s. 1; 1981, c. 423, s. 1; 2006-69, s. 2.)

§ 115C-111.5. Allocation of federal funds.

Whenever any federal monies for the special education and related services for children with disabilities are made available, these funds shall be allocated according to a formula designed by the Board consistent with federal laws and regulations. This formula shall ensure equitable distribution of resources and shall be implemented as funds are made available from federal and State appropriations. (1977, c. 927, s. 1; 1981, c. 423, s. 1; 2006-69, s. 2.)

§ 115C-111.6. Obligation to provide services for preschool children with disabilities.

State funds appropriated to the public schools to implement preschool services for children with disabilities under this Article and IDEA shall be used to provide special education and related services to preschool children with disabilities. These State funds shall be used to supplement and not supplant existing federal, State, and local funding for the public schools.

Preschool children with disabilities will continue to be served by all other State funds to which they are otherwise entitled. (2006-69, s. 2.)

§ 115C-112: Repealed by Session Laws 2006-69, s. 1, effective from and after July 1, 2006.

Part 1G. Council on Educational Services for Exceptional Children.

§ 115C-112.1. Establishment; organization; powers and duties.

(a) There is hereby established an Advisory Council to the State Board of Education to be called the Council on Educational Services for Exceptional Children.

(b) The Council shall consist of a minimum of 24 members to be appointed as follows: four ex officio members; one individual with a disability and one representative of a private school appointed by the Governor; one member of the Senate and one parent of a child with a disability between the ages of birth and 26 appointed by the President Pro Tempore of the Senate; one member of the House of Representatives and one parent of a child with a disability appointed by the Speaker of the House of Representatives; and 14 members appointed by the State Board of Education. The State Board shall appoint members who represent individuals with disabilities, teachers, local school administrative units, institutions of higher education that prepare special education and related services personnel, administrators of programs for children with disabilities, charter schools, parents of children with disabilities, a State or local official who carries out activities under the federal McKinney-Vento Homeless Assistance Act, vocational, community, or business organizations concerned with the provision of transition services, and others as required by IDEA. The majority of members on the Council shall be individuals with disabilities or parents of children with disabilities. The Council shall designate a chairperson from among its members. The designation of the chairperson is subject to the approval of the State Board of Education. The Board shall adopt rules to carry out this subsection.

Ex officio members of the Council shall be the following:

- (1) The Secretary of Health and Human Services or the Secretary's designee.
- (2) The Secretary of Public Safety or the Secretary's designee.
- (3) The Secretary of Public Safety or the Secretary's designee.
- (4) The Superintendent of Public Instruction or the Superintendent's designee.

The term of appointment for all members except those appointed by the State Board of Education is two years. The term for members appointed by the State Board of Education is four years. No person shall serve more than two consecutive four-year terms.

Each Council member shall serve without pay, but shall receive travel allowances and per diem in the same amount provided for members of the North Carolina General Assembly.

(c) The Council shall meet in offices provided by the Department of Public Instruction on a date to be agreed upon by the members of the Council from meeting to meeting. The Council shall meet no less than once every three months. The Department of Public Instruction shall provide the necessary secretarial and clerical staff and supplies to accomplish the objectives of the Council.

(d) The Council shall:

- (1) Advise the Board with respect to unmet needs within the State in the education of children with disabilities.
- (2) Comment publicly on rules, policies, and procedures proposed by the Board regarding the education of children with disabilities.

- (3) Assist the Board in developing evaluations and reporting on data to the Secretary of Education under the federal Individuals with Disabilities Education Act (IDEA), as amended.
- (4) Advise the State Board in developing corrective action plans to address findings identified in federal monitoring reports required under the federal Individuals with Disabilities Education Act (IDEA), as amended.
- (5) Advise the State Board in developing and implementing policies relating to the coordination of services for children with disabilities.
- (6) Carry out any other responsibility as designated by federal law or the State Board. (1973, c. 1079, ss. 1-4; 1977, c. 646, ss. 1-5, 1981, c. 423, s. 1; 1991, c. 739, s. 12; 1991 (Reg. Sess., 1992), c. 1038, s. 13; 1997-443, s. 11A.118(a); 1998-202, s. 4(l); 2000-137, s. 4(o); 2001-424, s. 28.29(a); 2006-69, s. 2; 2011-145, s. 19.1(i), (m).)

§ 115C-112.2: Reserved for future codification purposes.

§ 115C-112.3: Reserved for future codification purposes.

§ 115C-112.4: Reserved for future codification purposes.

Part 1H. Special Education Scholarships for Children with Disabilities.

§ 115C-112.5. Definitions.

The following definitions apply in this Part:

- (1) Authority. – The North Carolina State Education Assistance Authority.
- (1a) Child with a disability. – As defined in G.S. 115C-106.3(1).
- (1b) Disability. – As defined in G.S. 115C-106.3(2).
- (1c) Educational technology. – As defined by the Authority, an item, piece of equipment, material, product, or system which may be purchased commercially off the shelf, modified, or customized and that is used primarily for educational purposes for a child with a disability.
- (2) Eligible student. – A child under the age of 22 who resides in North Carolina and meets all of the following criteria:
 - a. Is a child with a disability.
 - b. Is eligible to attend a North Carolina public school pursuant to G.S. 115C-366.
 - c. Has not been placed in a nonpublic school or facility by a public agency at public expense.
 - d. Has not been enrolled in a postsecondary institution as a full-time student taking at least 12 hours of academic credit.
 - e. Has not received a high school diploma.
 - f. Meets at least one of the following requirements:
 1. Was enrolled in a North Carolina public school or a Department of Defense Elementary and Secondary School, established

pursuant to 10 U.S.C. § 2164 and located in North Carolina, during the previous semester. The Authority shall not count actual days of attendance to determine whether a child was enrolled in a qualifying school for the previous semester for the purposes of eligibility under this sub-sub-subdivision.

2. Received special education or related services through the North Carolina public schools as a preschool child with a disability during the previous semester.
 3. Was approved for a scholarship for the previous semester.
 4. Is a child who is identified as a child with a disability prior to the end of the year of initial enrollment in kindergarten or first grade. An award by the Authority based on eligibility under this sub-sub-subdivision shall be conditional. If documentation is not provided to the Authority that the child is a child with a disability prior to the end of the year of initial enrollment, (i) no reimbursement shall be awarded and (ii) the child shall not qualify the following year as an eligible student under sub-sub-subdivision 3. of this section.
 5. Is a child whose parent or legal guardian is on full-time duty status in the active uniformed service of the United States, including members of the National Guard and Reserve on active duty orders pursuant to 10 U.S.C. § 12301, et seq., and 10 U.S.C. § 12401, et seq.
 6. Is a child who has been domiciled in the State for at least six months.
 7. Is a child in foster care as defined in G.S. 131D-10.2(9).
 8. Is a child whose adoption decree was entered not more than one year prior to submission of the scholarship application.
- (3) Nonpublic school. – A school that meets the requirements of Part 1, 2, or 3 of Article 39 of this Chapter as identified by the Division of Nonpublic Education, Department of Administration.
- (3a) Related services. – As defined in G.S. 115C-106.3(18).
- (4) Scholarships. – Funds awarded by the Authority to eligible students to be used to receive special education on a daily basis while attending either a nonpublic school or a North Carolina public school for which payment of tuition is required.
- (5) Special education. – Specially designed instruction to meet the unique needs of a child with a disability. The term includes instruction in physical education and instruction conducted in a classroom, the home, a hospital or institution, and other settings. (2013-364, s. 4; 2014-49, s. 2; 2016-94, s. 11A.2(a); 2018-5, ss. 10A.1(a), (b).)

§ 115C-112.6. Scholarships.

(a) Scholarship Applications. – The Authority shall make available no later than February 1 annually applications to eligible students for the award of scholarships.

Information about scholarships and the application process shall be made available on the Authority's Web site.

(a1) Web Site Availability. – Information about scholarships and the application process shall be made available on the Authority's Web site. The Authority shall also include information on the Web site notifying parents that federal regulations adopted under IDEA provide that no parentally placed private school child with a disability has an individual right to receive some or all of the special education and related services that the child would receive if enrolled in a public school.

(a2) Priority of Awards. – The Authority shall award scholarships according to the following criteria for applications received by March 15 each year:

- (1) First priority shall be given to eligible students who received a scholarship during the previous school year.
- (2) After scholarships have been awarded under subdivision (1) of this subsection, scholarships shall be awarded to students who are eligible under G.S. 115C-112.5(2)f.1., 2., 4., 5., 7., and 8.
- (3) After scholarships have been awarded under subdivision (2) of this subsection, scholarships shall be awarded to students who are eligible under G.S. 115C-112.5(2)f.6.

(b) Scholarship Awards. – Scholarships awarded to eligible students shall be for amounts of not more than eight thousand dollars (\$8,000) per year per eligible student. Eligible students awarded scholarships may not be enrolled in a public school to which that student has been assigned as provided in G.S. 115C-366. Scholarships shall be awarded only for tuition and for the reimbursement of special education, related services, and educational technology, as provided in subsection (b1) of this section. The Authority shall notify parents in writing of their eligibility to receive scholarships for costs that will be incurred during the school year by July 1.

(b1) Disbursement of Scholarship Funds. – The Authority shall disburse scholarship funds for tuition and for the reimbursement of costs incurred by the parent of an eligible student as follows:

- (1) Tuition endorsement and reimbursement. – The Authority shall disburse scholarship funds awarded to eligible students for tuition at a nonpublic school based upon the method selected by the nonpublic school. A nonpublic school may elect to participate in the scholarship endorsement for tuition option or the reimbursement for tuition option as set forth in this subdivision. Scholarship funds shall not be provided for tuition for home schooled students. Scholarship funds for tuition shall be disbursed as follows:
 - a. Scholarship endorsement for tuition. – The Authority shall remit, at least two times each school year, scholarship funds awarded to eligible students for endorsement by at least one of the student's parents or guardians for tuition to attend a nonpublic school that meets the requirements of Part 1 or Part 2 of Article 39 of this Chapter as identified by the Department of Administration, Division of Nonpublic Education, is deemed eligible by the Division, and is subject to the requirements of G.S. 115C-562.5. The parent or guardian shall restrictively endorse the scholarship funds awarded to the eligible student for deposit into the

account of the nonpublic school to the credit of the eligible student. The parent or guardian shall not designate any entity or individual associated with the school as the parent's attorney-in-fact to endorse the scholarship funds. A parent's or guardian's failure to comply with this section shall result in forfeiture of the scholarship funds. A scholarship forfeited for failure to comply with this section shall be returned to the Authority to be awarded to another student.

- b. Reimbursement for tuition. – The parent or guardian of an eligible student who enrolls in a school that is (i) a North Carolina public school other than the public school to which that student has been assigned as provided in G.S. 115C-366 or (ii) a nonpublic school that meets the requirements of Part 1 or Part 2 of Article 39 of this Chapter as identified by the Department of Administration, Division of Nonpublic Education, is deemed eligible by the Division, and is not subject to G.S. 115C-562.5, shall pay tuition directly to the school. The Authority shall reimburse the parent or guardian no sooner than the midpoint of each semester. A parent or guardian may receive reimbursement for tuition if the parent or guardian provides documentation that the student was enrolled in a school under this sub-subdivision.
- (2) Scholarship reimbursements for costs. – Scholarship reimbursement for costs incurred shall be provided as follows:
- a. Preapproval process. – Prior to the start of each school semester, the parent of an eligible student may submit documentation of the special education, related services, or educational technology the parent anticipates incurring costs on in that semester for preapproval by the Authority.
 - b. Reimbursement submissions. – Following the conclusion of each school semester, the parent of an eligible student shall submit to the Authority any receipts or other documentation approved by the Authority to demonstrate the costs incurred during the semester. In addition, parents shall provide documentation of the following to seek reimbursement:
 - 1. Special education reimbursement. – Parents may only receive reimbursement for special education if the parent provides documentation that the student received special education for no less than 75 days of the semester for which the parent seeks reimbursement. Special education reimbursement shall not be provided for special education instruction provided to a home schooled student by a member of the household of a home school, as defined in G.S. 115C-563(a).
 - 2. Related services reimbursement. – Parents may only receive reimbursement for related services if the parent provides documentation that the student also received special education for no less than 75 days of the semester for which the parent seeks reimbursement for the related services. Related services reimbursement shall not be provided for related services

provided to a home schooled student by a member of the household of a home school, as defined in G.S. 115C-563(a).

3. Educational technology reimbursement. – Parents may only receive reimbursement for educational technology if the parent provides documentation that the student used the educational technology for no less than 75 days of the semester for which the parent seeks reimbursement.
- c. Scholarship award. – The Authority shall award a scholarship in the amount of costs demonstrated by the parent up to the maximum amount.
- d. Carryforward of funds for reimbursements. – Any unexpended scholarship funds at the end of each fiscal year shall revert to the General Fund, except that the Authority may carry forward for the next fiscal year an amount necessary to ensure that any outstanding, allowable reimbursements can be disbursed in accordance with this section. Any funds carried forward for the purpose of meeting anticipated reimbursement obligations from the prior fiscal year that are not expended shall not be used to award additional scholarships to eligible students but shall revert to the General Fund at the end of that fiscal year.

(b2) Establishment of Initial Eligibility. – An applicant may demonstrate for initial eligibility that the applicant is a child with a disability, as required by G.S. 115C-112.5(2)a., in either of the following ways:

- (1) The child has been assessed by a local education agency and determined to be a child with a disability and that outcome is verified by the local education agency on a form provided to the Authority.
- (2) The child was initially assessed by a local education agency and determined to be a child with a disability and, following receipt of a scholarship awarded pursuant to Article 41 of this Chapter, was determined to have continuing eligibility, as provided in G.S. 115C-593(2), by the assessing psychologist or psychiatrist. Both the initial verification from the local education agency and the continuing verification by the assessing psychologist or psychiatrist shall be provided on a form to the Authority.

(c) Student Continuing Eligibility. – After an eligible student's initial receipt of a scholarship, the Authority shall ensure that the student's continuing eligibility is assessed at least every three years by one of the following:

- (1) The local educational agency. – The local school educational agency shall assess if the child continues to be a child with a disability and verify the outcome on a form to be provided to the Authority.
- (2) A licensed psychologist with a school psychology focus or a psychiatrist. – The psychologist or psychiatrist shall assess, after review of appropriate medical and educational records, if the education and related services received by the student in the nonpublic school setting have improved the child's educational performance and if the student would continue to benefit from placement in the nonpublic school setting. The psychologist or psychiatrist shall verify the outcome of the assessment on a form to be provided to the Authority.

(d) Rule Making. – The Authority shall establish rules and regulations for the administration and awarding of scholarships and may include in those rules a lottery process for selection of scholarship recipients within the criteria established by this section. The Authority shall adopt rules providing for pro rata return of funds if a student withdraws prior to the end of the semester from a school to which scholarship funds have been remitted. The Authority shall annually develop a list of educational technology for which scholarships may be used and shall provide scholarship recipients with information about the list.

(e) Public Records Exception. – Scholarship applications and personally identifiable information related to eligible students receiving scholarships shall not be a public record under Chapter 132 of the General Statutes. For the purposes of this section, personally identifiable information means any information directly related to a student or members of a student's household, including the name, birthdate, address, Social Security number, telephone number, e-mail address, financial information, or any other information or identification number that would provide information about a specific student or members of a specific student's household. (2013-364, s. 4; 2014-49, ss. 3, 4; 2015-241, s. 11.11(a); 2015-248, s. 10(a); 2016-94, s. 11A.2(b); 2017-57, s. 10A.2(a); 2017-102, s. 17; 2018-5, s. 10A.1(c).)

§ 115C-112.7. Verification of eligibility.

(a) The Authority may seek verification of information on any application for scholarships from eligible students. If a parent fails to cooperate with verification efforts, the Authority shall revoke the award of the scholarship to the eligible student.

(b) Parents of applicants for scholarships shall authorize the Authority to access any information held by the local educational agency that is needed for verification efforts. (2013-364, s. 4; 2014-49, s. 5.)

§ 115C-112.8. Authority reporting requirements.

(a) The Authority shall report annually, no later than October 15, to the Joint Legislative Education Oversight Committee on the Special Education Scholarships for Children with Disabilities.

(b) The annual report shall include all of the following information from the prior school year:

- (1) Total number, age, and grade level of eligible students receiving scholarships.
- (2) Total amount of scholarship funding awarded.
- (3) Nonpublic schools in which scholarship recipients are enrolled and the number of scholarship students at that school.
- (4) The type of special education or related services for which scholarships were awarded.
- (5) Total number of applicants by eligibility type, as listed in G.S. 115C-112.5(2)f., and the total number of scholarships awarded by priority type, as listed in

G.S. 115C-112.6(a2). (2013-364, s. 4; 2014-49, s. 6; 2016-94, s. 11A.2(c); 2018-5, s. 10A.1(d).)

§ 115C-112.9. Duties of State agencies.

(a) The State Board, as part of its duty to monitor all local educational agencies to determine compliance with this Article and IDEA as provided in G.S. 115C-107.4, shall ensure that local educational agencies do the following:

- (1) Conduct evaluations requested by a child's parent or guardian of suspected children with disabilities, as defined in G.S. 115C-107.3, in a timely manner as required by IDEA.
- (2) Provide assessments for continuing eligibility to identified children with disabilities receiving scholarships as provided in Part 1H of this Article at the request of the parent or guardian to ensure compliance with G.S. 115C-112.6(c).

(b) The Authority shall analyze, in conjunction with the Department of Public Instruction, past trends in scholarship data on an annual basis to ensure that the amount of funds transferred each fiscal year by the Authority to the Department for reevaluations by local school administrative units of eligible students under G.S. 115C-112.6(c) are sufficient and based on actual annual cost requirements. (2014-49, s. 7; 2014-101, s. 7.3; 2014-115, s. 68; 2015-241, s. 11.11(b); 2015-248, s. 10(b).)

Part 2. Nondiscrimination in Education.

§§ 115C-113 through 115C-115: Repealed by Session Laws 2006-69, s. 1, effective July 10, 2006.

Part 3. Appeals.

§ 115C-116: Repealed by Session Laws 2006-69, s. 1, effective July 10, 2006.

Part 4. Regional Educational Training Center.

§§ 115C-117 through 115C-120: Repealed by Session Laws 1997-18, s. 16.

Part 5. Council on Educational Services for Exceptional Children.

§ 115C-121: Repealed by Session Laws 2006-69, s. 1, effective July 10, 2006.

Part 6. Range of Services Available.

§ 115C-122: Repealed by Session Laws 2006-69, s. 1, effective July 10, 2006.

Part 7. State Schools for Hearing-impaired Children.

§§ 115C-123 through 115C-126.1: Recodified as §§ 143B-216.40 through 143B-216.44 by Session Laws 1997-18, s. 12.

Part 8. State School for Sight-impaired Children.

§§ 115C-127, 115C-128: Recodified as §§ 143B-164.10 and 143B-164.13.

Part 8. State School for Sight-impaired Children.

§ 115C-129: Reserved for future codification purposes.

§§ 115C-130 through 115C-133: Recodified as §§ 143B-164.14 through 143B-164.17.

Part 9. Central Orphanage of North Carolina.

§§ 115C-134 through 115C-138: Repealed by Session Laws 1997-18, s. 14.

Part 10. State and Local Relationships.

§ 115C-139: Repealed by Session Laws 2006-69, s. 1, effective July 10, 2006.

§ 115C-140: Repealed by Session Laws 2006-69, s. 1, effective July 10, 2006.

§ 115C-140.1: Repealed by Session Laws 2006-69, s. 1, effective July 10, 2006.

Part 11. Rules and Regulations.

§ 115C-141: Repealed by Session Laws 2006-69, s. 1, effective July 10, 2006.

Part 12. Nonreduction Provision.

§ 115C-142: Repealed by Session Laws 2006-69, s. 1, effective July 10, 2006.

Part 13. Budget Analysis and Departmental Funding.

§ 115C-143: Repealed by Session Laws 1981 (Regular Session, 1982), c. 1282, s. 29.

§ 115C-144: Repealed by Session Laws 1997-18, s. 7.

§ 115C-145: Repealed by Session Laws 2006-69, s. 1, effective July 10, 2006.

§ 115C-146: Reserved for future codification purposes.

Part 14. Handicapped Children, Ages Three to Five.

§§ 115C-146.1 through 115C-146.4: Repealed by Session Laws 2006-69, s. 1, effective July 10, 2006.

§ 115C-147: Reserved for future codification purposes.

§ 115C-148: Reserved for future codification purposes.